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19 February 1957

OFFICE OF PERSONNEL MEMORANDUM NO. 20-605-10

SUBJECT: Salary and Wage Determinations

RESCISSIONS: (1) OPM 20-605-6 (83-54), dated 8 November 1954, subject:  
Tentative Determination of Salary Rates  
(2) OPM 20-605-7 (13-55), dated 9 March 1955, subject:  
Determination of Salary Rate

## 1. GENERAL

This memorandum sets forth guidelines and requirements for making salary and wage determinations affecting staff employees and staff agents. These determinations are the responsibility of the officer approving a personnel action for authentication by the Director of Personnel. In making such determinations, he will adhere to all statutory requirements, pay determination decisions of the Comptroller General and Office of the General Counsel, and the provisions of this memorandum.

## 2. EXERCISE OF ADMINISTRATIVE DISCRETION IN DETERMINING PAY RATES

In making pay rate determinations in which any one of several scheduled pay rates may be selected within statutory requirements, the determination shall be made in consideration of the following discretionary factors:

- a. Extent and nature of the individual's prior Federal and Agency service;
- b. Degree to which the individual is qualified for the position;
- c. Resulting salary alignment within the unit to which the individual is assigned.

## 3. CREDITING OF PAY RATES EARNED IN CREDITABLE PRIOR FEDERAL SERVICE

- a. Creditable Federal employment for this purpose is employment in a position in the executive departments, independent establishments and agencies in the executive branch, corporations wholly owned by the United States, the Administrative Office of the United States Courts, the Library of Congress, the Botanic Garden, the Government Printing Office, the General Accounting Office, the Office of the Architect of the Capitol, and the municipal government of the District of Columbia, irrespective of whether such position is subject to the pay schedules of the Classification Act. No consideration may be given to premium rates or to rates paid while employed as experts, consultants, or independent contractors, rates paid while serving under a temporary promotion, or rates attached to a position which the employee was subsequently found to have been disqualified to hold.

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- b. Pay rates earned in creditable prior Federal service may be considered in making current salary and wage determinations, including pay rates during Agency service as a contract employee. The pay rate considered in this case is the current equivalent of the highest rate the individual has received in creditable Federal employment.
- c. Prior rates to be creditable for subsequent personnel actions must have been held for a continuous period of 90 days without a break in service.
- d. The current equivalent of prior pay rates is computed as follows:
  - (1) If the highest previous rate was earned in a position compensated according to the Classification Act or a Wage Administration schedule, the current equivalent of that rate will be determined by reference to the pay schedules which have been in effect during the intervening period between the time the highest rate was earned and the present time and converting the former rate to the corresponding step and rate of the current schedule.
  - (2) If the highest previous rate was earned in a position not compensated according to the Classification Act or Wage Administration schedules, the former rate will be increased by the subsequent amendments to the Classification Act Schedule which were enacted during a period when the employee was not on the rolls of an office under the Classification Act or Wage Administration schedules, e.g., FSS and FSR schedules of the State Department or schedules of the Reconstruction Finance Corporation or the Atomic Energy Commission.
- e. In making pay determinations, whenever the current equivalent of the highest prior rate falls between two steps of the new grade, either the higher or the lower step may be utilized, unless specific provision is otherwise made in this memorandum. Normally, the higher step will be used unless a consideration of the three discretionary factors set forth in paragraph 2 establishes a reason for using the lower step.

#### 4. DOCUMENTATION OF PAY CHANGES

- a. Changes in rates of pay (other than step-increases and application of advanced base or in-hiring rates) may be made only in conjunction with an official personnel action which assigns an individual to an established position or which effects a change from one established position to another.
- b. The specific rate of pay should be determined at the time the action is effected. However, if it is not possible to obtain verification of a former pay rate prior to effecting the action, and it is desired to afford the individual the benefit of his former rate of pay, the action may be processed at the rate of pay which is the minimum step of the grade or the highest step allowable based on prior employment which can

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be verified at the time, with this statement on the SF-50: "Salary rate shown is subject to adjustment upon verification of prior rates obtained in the Federal Service". Observance of this procedure will provide a legal basis for retroactive adjustment of the pay rate through subsequent issuance of a corrected SF-50.

- c. The Records and Services Division is authorized to establish the salary rate of individuals transferring to the Agency from other Federal agencies without change in grade when the individual has received a periodic step-increase between the time processing action was begun on his appointment and the time of his entrance on duty, provided he has with him either a final SF-50 or, if he has not yet received his final SF-50, a copy of SF-1126 reflecting the increase.

5. EFFECT OF ADVANCED BASE RATES FOR CLASSIFICATION ACT SCHEDULE POSITIONS APPROVED UNDER SECTION 104, P.L. 763, 83rd CONGRESS

Advanced base rates become the minimum or new base rates for each position affected for purposes of applying the provisions of this memorandum. OPM 20-605-8 (54-56) provides a listing of positions for which advanced base rates are authorized.

6. APPOINTMENT ACTIONS - CLASSIFICATION ACT SCHEDULE POSITIONS

- a. Appointment will be made at the current minimum rate established for the position to which appointment is to be made, except when the individual has previously attained a higher pay rate in creditable Federal employment.
- b. An appointee whose highest previous rate and last earned rate are the same, or whose last earned rate exceeds previous rates, may receive the last earned rate if it matches a step of the grade concerned; if the rate falls between two steps of the grade, the higher step will be used unless a consideration of the discretionary factors listed in paragraph 2 above establishes a reason for using the lower step.
- c. An individual whose highest previous rate exceeds the last earned rate may be appointed at any rate in the grade from the last earned rate to the rate which corresponds to the highest previous rate. Rate selected will be based on the discretionary factors.
- d. When the appointee's last earned rate consists of a step rate above the maximum scheduled step of a Classification Act Schedule position as the result of receipt of one or more longevity step-increases, and he is being appointed to a Classification Act Schedule position of the same or lower grade, his pay may be set at a comparable step above the maximum scheduled rate for the grade.
- e. If an employee is being appointed and simultaneously promoted or changed to lower grade without a break in service, the rate for entrance on duty will be determined in accordance with the provisions of this memorandum relating to the specific type of personnel action.

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7. APPOINTMENT ACTIONS - WAGE ADMINISTRATION POSITIONS

- a. Appointments to apprentice positions on Government Printing (GP) or Graphic Arts (GA) Wage Schedules will be at the apprenticeship step commensurate with the experience and training of the individual in the trade concerned as evaluated by the appointing officer. Prior pay rates received in creditable Federal employment are not considered.
- b. Appointments to journeyman or supervisory positions in Government Printing Schedule (GP) positions will be at the flat rate applicable to the position, prior Federal pay rates notwithstanding.
- c. Appointments to journeyman positions compensated under the Graphic Arts Schedule (GA) will be at the yearly journeyman rate for which the employee qualifies based on his training and experience in the trade as evaluated by the appointing officer. Appointments to supervisory (Foreman) positions on this schedule will be at the yearly journeyman step for which the individual qualifies, to which will be added the foreman differential.
- d. Appointments to Regular Wage Board (WB), Wage Board Supervisory (WBS), and Lithographic Wage Board (LB) positions will be made at Step 1 of the wage board grade unless advanced in-hiring rates have been approved for a particular position, in which case all new appointments are made at the advanced rate. However, if the appointee has had prior Federal service at a higher rate, he may be given the step of the wage board grade equivalent to the prior rate. If the prior rate falls between two steps of the grade, either step may be used in consideration of the discretionary factors. An individual appointed from a position compensated under the same type wage schedule but from another wage locality, may be appointed at the wage rate on the wage schedule for the new locality applicable to the numbered grade and step last held; or the pay rate in dollars and cents last received may be used in determining the step for his entrance on duty if this provides a higher pay rate.

8. PROMOTIONS - BETWEEN CLASSIFICATION ACT SCHEDULE POSITIONS

- a. Whenever an employee is promoted from one Classification Act Schedule position to another of higher grade, his salary rate shall be fixed at the lowest step of the new grade which exceeds the last earned rate by one full step rate of the grade from which promoted. If there is no rate in the higher grade which is at least one step rate above the employee's last earned rate, his salary will be fixed at the maximum scheduled step rate of the higher grade or at his last earned rate, whichever is higher.
- b. If an individual's highest previous rate exceeds the pay rate for a promotion as determined in accordance with the provisions of the previous paragraph, the rate upon promotion may be established at the highest scheduled rate of the grade to which promoted which does not exceed the highest previous rate.

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9. PROMOTIONS - REGULAR WAGE BOARD, WAGE BOARD SUPERVISORY, AND LITHOGRAPHIC WAGE BOARD POSITIONS
  - a. An individual promoted from one Wage Board position to another Wage Board position shall receive the lowest rate of the grade of the new position which exceeds his existing rate of pay. The highest previous rate, however, may be credited in establishing the rate of pay in the new grade as in Classification Act Schedule positions.
  - b. In those instances where the employee has completed all eligibility requirements for a periodic step-increase in a higher grade and the application of the foregoing rule does not result in the employee receiving an "equivalent increase", the pay rate in the higher grade will be fixed in the next higher step which will provide such an increase (except step 4). (For example, promotions to the first step in WB, WBS or LB grades with six months service without an equivalent increase or to second step with 12 months service without an equivalent increase will require fixing pay at the next higher step.)
10. PROMOTIONS - GRAPHIC ARTS (GA) SCHEDULE AND GOVERNMENT PRINTING (GP) SCHEDULE POSITIONS

An individual promoted from one position on either the GA or GP schedule to another position on either schedule will receive only the appropriate journeyman or apprenticeship step to which he is entitled based on an evaluation of his training and experience.

11. PROMOTIONS - BETWEEN CLASSIFICATION ACT SCHEDULE POSITIONS AND WAGE BOARD (WB, WBS, AND LB) POSITIONS

An individual promoted from a Classification Act Schedule position to a Wage Board position, or vice versa, shall receive the lowest rate of the grade of the position to which promoted which exceeds his existing rate of pay.

12. PROMOTIONS - BETWEEN CLASSIFICATION ACT SCHEDULE OR WAGE BOARD SCHEDULE (WB, WBS, LB) POSITIONS AND NEGOTIATED WAGE (GP, GA) POSITIONS
  - a. An individual promoted from a Classification Act Schedule or Wage Board position or a position under the Graphic Arts (GA) or Government Printing (GP) Schedule will be compensated at the appropriate journeyman or apprenticeship step for which he qualifies by an evaluation of his training and experience.
  - b. An individual promoted from a Graphic Arts (GA) or Government Printing (GP) position to a Classification Act Schedule or Wage Board Schedule (WB, WBS, LB) position shall receive the lowest rate of the grade of the position to which promoted which exceeds his existing rate of pay.

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13. CHANGES TO LOWER GRADE - (CLASSIFICATION ACT SCHEDULE, WB, WBS, AND LB POSITIONS)
  - a. An individual who is changed from one position to another position of lower grade will be compensated at the highest rate in the lower grade which does not exceed his existing rate of compensation, except that in the event that the existing rate of compensation in the higher grade position falls between two steps in the lower grade, the higher of the two steps may be used whenever the change to lower grade action was taken for reasons other than disciplinary action or unsatisfactory performance.
  - b. An individual who is changed to lower grade as a result of the reclassification of his position without significant changes in the major duties assigned, may retain his existing rate of compensation so long as he continues to occupy the position involved. A change to another position will require pay determination action as in paragraph 13.a. above.
  - c. An individual whose existing rate exceeds the maximum scheduled rate of the lower grade by reason of longevity step-increases shall receive basic compensation fixed on an equivalent number of longevity step-increases in the lower grade.
  - d. When an employee is returned to a lower grade subsequent to temporary promotion to a higher grade, his pay will be fixed at the rate of the lower grade which is the equivalent of the rate to which he would have progressed by means of periodic step-increases had he occupied the lower grade throughout the period of temporary promotion.
  - e. When change to lower grade is effected as a disciplinary action, the individual's rate of pay may be set at any step within the grade which does not exceed his existing rate.
  - f. When change to lower grade is effected as a result of unsatisfactory performance, the individual's rate of pay will be established at the rate of the lower grade which is the equivalent of the rate to which he would have progressed had he occupied the lower grade throughout the period of time the higher grade position was held.
  - g. In change to lower grade actions, above, the "existing rate" to be creditable must have been held in the higher grade position for a period of at least 90 days.

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14. CHANGE TO LOWER GRADE - (GRAPHIC ARTS (GA) AND GOVERNMENT PRINTING (GP) POSITIONS)

Changes to lower grade actions will be compensated in consideration only of the step of the journeyman or apprentice wage schedule for which the individual qualifies based on an evaluation of his experience and training.


15. REASSIGNMENTS

Reassignment actions are effected without change in pay rates, and only the last received pay rate will be considered except in cases of reassignment between WB, WBS, or LB positions located in different wage rate localities but of the same grade, the pay rate will be established on the basis of (1) that rate on the wage schedule for the new locality applicable to the numbered grade and step formerly held, or (2) the pay rate in dollars and cents last received. If the last earned rate falls between two steps of the grade concerned the selection will depend upon the discretionary factors used for wage determinations.

16. CONVERSIONS

- a. An employee whose position is converted from the Classification Act Schedule to a Wage Administration Schedule (except GA and GS Schedule positions) shall be entitled upon conversion to compensation at a rate under the prevailing wage system which most nearly equals but is not less than his rate prior to the conversion. If no such rate exists in the wage administration position, he shall be paid at a rate equal to his rate prior to conversion.
- b. The same procedure shall apply to conversion of an employee and his position from any Wage Administration Schedule to the Classification Act Schedule.
- c. An employee whose position is converted from the WB-WBS Schedule to the LB Schedule or vice versa shall be entitled upon conversion to the rate which most nearly equals but is not less than his rate prior to the conversion. If no such rate exists, he shall be paid at a rate equal to his rate prior to conversion.

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Director of Personnel

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